

## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

<b>In the Matter of the Commission,</b>	)	<b>Application No. PI-73/ 911-004</b>
<b>on its own motion, seeking to</b>	)	
<b>investigate enhanced 911 surcharges</b>	)	
<b>collected by wireless carriers.</b>	)	

### COMMENTS OF SPRINT

The wireless division of Sprint, Sprint Spectrum L.P. (“Sprint”), files the following comments. Sprint is committed to wireless enhanced 911 deployment and is actively implementing Phase I enhanced 911 in Nebraska. Sprint applauds the efforts of Nebraska in wireless enhanced 911 deployment.

Through this proceeding, the Commission is reviewing the process by which carriers recover their costs of enhanced 911 implementation. The Commission acknowledges that wireless carriers are entitled to impose surcharges upon customers and Sprint respectfully reminds the Commission that Section 332 of the Communications Act prohibits rate regulation over wireless carriers.

Subject to these parameters, Sprint agrees that carriers should not be recovering the same costs from the Enhanced Wireless 911 Fund (“911 Fund”) that it recovers from its customers. Sprint only seeks reimbursement for Phase I costs from the 911 Fund and has not sought cost recovery for its Phase II location technology costs from the 911 Fund. In fact, Sprint submits that wireless carriers should only seek recovery of Phase I costs from the 911 Fund and should not seek reimbursement of Phase II network costs.

The Federal Communications Commission (“FCC”) has mandated that wireless carriers install the necessary equipment and network upgrades required to be capable of providing location information with 911 calls. For the FCC Phase I requirements, the carrier must provide cell site location information. For Phase II requirements, the carrier must provide information that identifies the caller’s more specific location. Sprint has made the investments necessary to provide both Phase I and Phase II information and continues to spend millions of dollars in 911 compliance costs. In meeting the FCC’s Phase II location requirements, Sprint decided to deploy a handset-based solution.

In order to support that technology, Sprint installed equipment and technology in its national network to receive, process and calculate the specific location of the caller. It is these national network costs that are recovered through the Sprint's E911 surcharge. Sprint has no current plans to seek reimbursement for its Phase II network costs from the 911 Fund.

Sprint provides the following responses to the questions posed by the Commission:

**A. Should the State provide cost recovery to a wireless carrier if it is already seeking cost recovery directly from its customers?**

Yes. Nebraska Revised Statute 86-465 provides for wireless carriers to recover the costs incurred for the establishment of enhanced wireless 911 service. Wireless carriers are entitled to recover their costs of providing Phase I enhanced 911 service.

Specifically, a carrier should be able to seek Phase I reimbursement from the 911 Fund even though it may also have a surcharge to recover non-reimbursed Phase II expenses. However, carriers should not be entitled to recover costs from the 911 Fund if it recovers those costs from its customers, e.g. a carrier should not be permitted to "double-recover". Moreover, because it is easier to jurisdictionally separate Phase I costs, Sprint suggests that it should not be too difficult to reimburse carriers' Phase I costs. It is for this reason that Sprint suggests that reimbursement should be limited to Phase I costs.

**B. Should the Commission adopt a policy that wireless carriers collecting surcharges for E911 services must first account to the Commission before being approved for money from the Enhanced Wireless 911 Fund?**

No. Wireless carriers should not be obligated to provide any additional accounting to the 911 Fund in order to be reimbursed for Phase I E911 services and specifically should not be required to account for Phase II expenses if it is not seeking reimbursement for those expenses. However, the Commission should obtain a statement

from wireless carriers regarding the expenses that it is recovering from the 911 Fund. Sprint discloses its cost recovery policy on each invoice it sends in for reimbursement from the 911 Fund.

In closing, the Commission may not prevent carriers from seeking reimbursement from the 911 Fund simply because the wireless carrier has implemented a surcharge on its customers' invoices. The Commission should be able to make reasonable inquiry to ensure that carriers are not seeking double-recovery, but a carrier should not be obligated to provide an extra level of accounting.

Respectfully submitted,

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